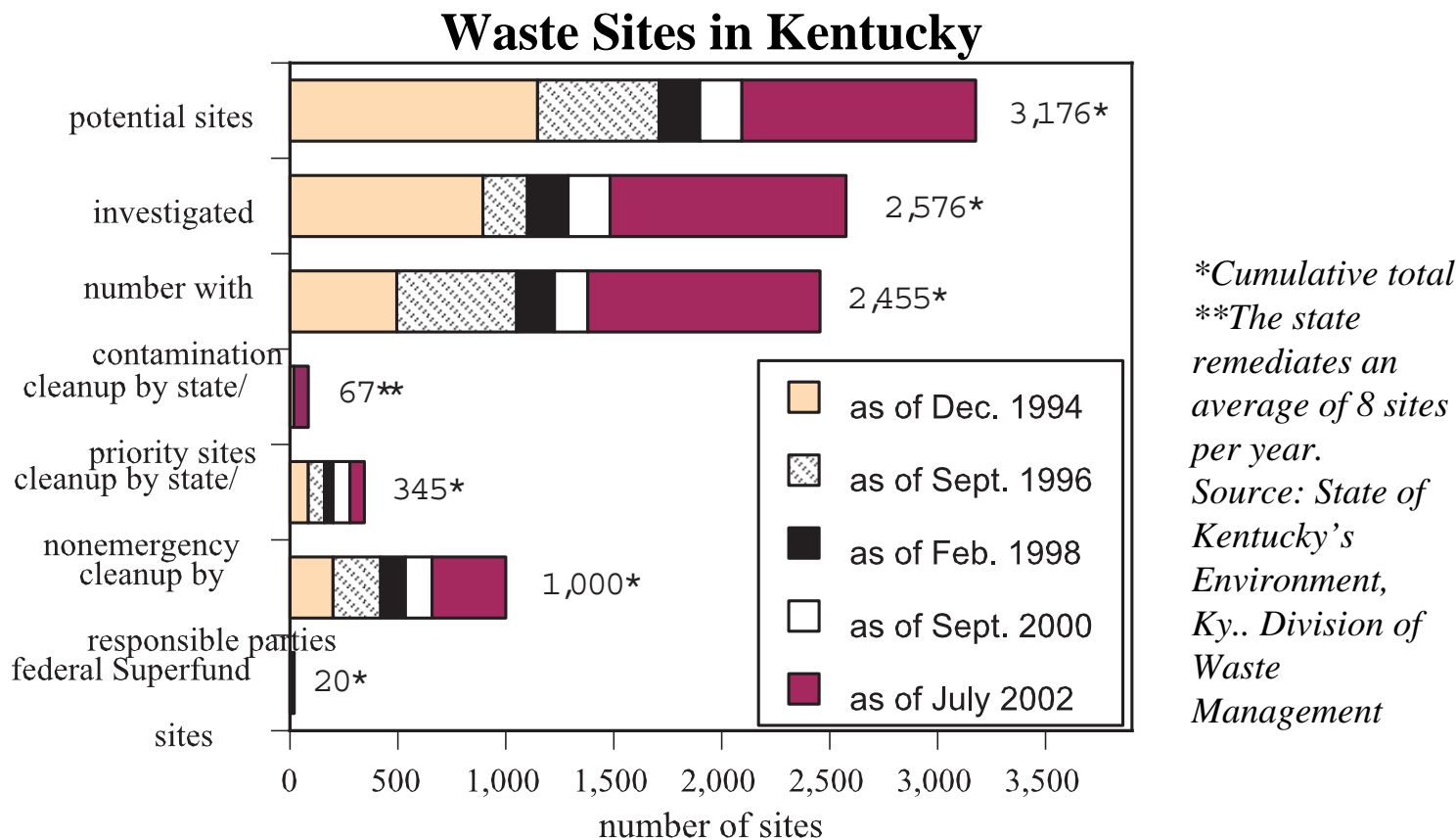

CONTAMINATED WASTE SITES IN KENTUCKY: ISSUES AND NEEDS



Kentucky Environmental Quality Commission
Public Forum
July 20, 2002
Frankfort, Kentucky

Contaminated Waste Sites in Kentucky



Aloma Dew, Chair of the Environmental Quality Commission (EQC), opened the July 30th EQC public meeting and stated that in Kentucky, hundreds of waste sites pose threats to the environment and public health. To date, more than 3,000 potentially contaminated waste sites have been identified. Of the 2,500 sites investigated, 95% had confirmed contamination. An estimated 57% of these sites have been remediated by the state or responsible parties.

Contaminated Waste Sites in Kentucky: Issues and Needs



*About 40 people
attended the EQC July
30 public meeting to
discuss contaminated
waste sites in Kentucky.*

Rob Daniell, Director of the Ky. Division of Waste Management reviewed state efforts to address contaminated waste sites in Kentucky. He also reviewed recent measures passed to address these sites including implementation of House Bill 174 passed during the 2002 session to cleanup old landfills, proposed regulations to promote the redevelopment of brownfields, and the extension of the Hazardous Waste Management Fund to assist with site cleanups.

Old Landfills in Kentucky: Status



Several homes in Georgetown were built atop an old dump. The City has purchased and demolished 19 homes after lead and other contaminants were found in the soil. City officials think it may cost up to \$10 million to clean up the site. (source: Courier-Journal)

Some 628 potential historic landfills exist in Kentucky, according to Rob Daniell, Director of the Ky. Division of Waste Management. Of these 56 have been properly closed to contain contamination and another 55 are known to be leaking contaminants. The division has projected that it could cost \$200,000 per dump, for a total of \$106 million, to cleanup and close old landfills in Kentucky, though actual costs can't be determined until officials better understand the problem. The division is required to assess these sites and report their findings to the Legislature by Dec. 2003.

Old Landfills in Kentucky: House Bill 174 and its Implementation

Outerloop Landfill, Jefferson Co.



House Bill 174, passed in 2002, will impose a \$1.75 per ton surcharge on waste disposed of in Kentucky to help cleanup old landfills. The fee is expected to raise household garbage rates by 30 cents per month.

House Bill 174, passed in the 2002 legislative session, will begin to address the problems posed by old landfills, according to Rob Daniell, Director of the Ky. Division of Waste Management. The bill provides \$25 million to cleanup old landfills. Another \$4.8 million will assist counties cleanup roads and open dumps (a 25 percent county match is required) and \$5 million will be used by the Ky. Dept. of Transportation to address roadside litter. The Division of Waste Management estimates that the \$25 million will address about 10 to 15 sites. The money will be generated by bond sales and a surcharge of \$1.75 per ton of waste disposed of in Kentucky. The surcharge is expected to raise household garbage rates by about 30 cents per month. Regulations are now under development to implement House Bill 174 which will include waste reporting forms for recyclers and waste haulers and a conversion formula for transfer stations to help calculate the surcharge.

Brownfields in Kentucky: Status



*The University of Louisville Papa John Stadium opened in 1998 and has been used as a model for brownfield redevelopment. The stadium was built on top of a former CSX railroad yard that had been contaminated with diesel fuel, lead and chemicals.
(CSX photo)*

It is not known how many brownfield sites there are in Kentucky, according to Rob Daniell, Director of the Ky. Division of Waste Management. Brownfields are abandoned, idle, or under-used industrial or commercial facilities where redevelopment is complicated by environmental contamination. There are brownfield sites in most counties in the Commonwealth, though most are in the larger cities and towns. The sites include old gas stations, commercial dry cleaners, closed manufacturing plants and other industrial sites, as well as active businesses. A recent study underway in Northern Kentucky predicts there may be more than 200 old brownfield sites in Kenton County alone. Many of these lightly polluted properties are lumped in with the most toxic properties resulting in a flight by lenders, insurers and developers to greenfields (clean sites) due to liability concerns. Kentucky passed the Voluntary Environmental Remediation Act in 2001 to encourage the redevelopment of brownfields and return them back to the tax roles.

Brownfields in Kentucky: Voluntary Environmental Remediation Program



State VERP Process

- | | |
|---|--|
| * application submitted (nonrefundable fee) | * site characterization plan |
| * public notice | * corrective action plan |
| * eligibility requirements met | * public notice |
| * enter into agreed order with the Cabinet | * correction action completion report |
| | * if remediated Cabinet issues a Covenant Not to Sue |

*Donaldson Sign Co. waste site in Covington
(source: Northern Ky. Univ.)*

The Ky. Division of Waste Management filed regulation 401 KAR 100:100 on Aug. 1, 2002 to implement the Voluntary Environmental Remediation Program. The proposed regulation includes procedures for owners of brownfields to enter into voluntary remediation agreements with the Commonwealth, requirements for characterizing site contamination, a structure for the submittal and approval of corrective action workplans and a review and approval/rejection procedure for such projects. If an owner obtains an approval and implements its plan, it may receive a covenant from the Natural Resources Cabinet promising that the company will not be sued to compel additional remediation. Cleanup standards have been based on the latest best science available and guidance using these standards have also been developed. There are public notification provisions and opportunities for public comment as well. The draft regulations can be viewed at <http://www.nr.state.ky.us/nrepc/dep/waste/programs/sf/vcpguide.htm>

Superfund Sites in Kentucky



The Valley of the Drums drew national attention in 1979 as one of the nation's worst abandoned waste sites. Thousands of drums were strewn over a 23-acre site in Bullitt County. The site was declared a federal superfund site in 1988. The drums have since been removed and the site capped.

Hundreds of contaminated sites also continue to pose risks to the environment and public health, according to Rob Daniell, Director of the Ky. Division of Waste Management. To date, more than 3,000 potentially contaminated waste sites have been identified. Of the 2,500 sites investigated, 95% had confirmed contamination. An estimated 57% of these sites have been remediated by the state or responsible parties. Since 1992, 46 sites have been cleaned up by the state at a cost of \$6.7 million. A fee on hazardous waste generators, established in 1981, is used to help the state address contaminated waste sites. The fee was extended in 2002 for another 2 years. The fee generates about \$2 million per year to cleanup sites. However, the division estimates that \$80 million will be needed to address superfund sites in Kentucky.

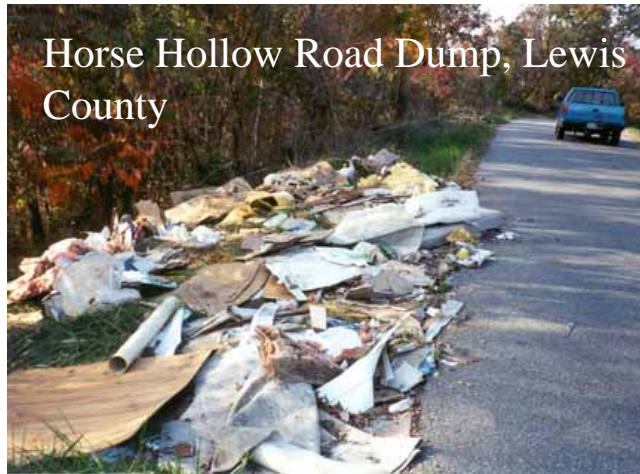
Public Comments and Concerns



Brian Baily, Solid Waste Coordinator for Montgomery County expressed concern that current funding levels will not be sufficient to properly close many of the old landfills in Kentucky.

Several audience members asked questions concerning the clean up of waste sites in Kentucky. City officials expressed concern that current funding levels will not be sufficient to close many of the old landfills in Kentucky. Dennis Minks, an engineer with the city of Louisville, indicated that the city will have to pay the solid waste surcharge imposed by House Bill 174 with general funds. Most Kentuckians pay directly for garbage services and it is expected the \$1.75 surcharge per ton of waste disposed will be passed along through household garbage bills raising them about 30 cents per month. However, in Louisville, garbage fees are covered by the city's property taxes. Minks indicated that it was unlikely city leaders will recommend raising taxes to cover the \$1.75 per ton surcharge imposed by House Bill 174. The city estimates that it will cost the city \$350,000 a year to pay the surcharge based on 200,000 tons of solid waste disposed of annually.

Meeting Summary



EQC Chair Aloma Dew expressed confidence that cities will work with the state to find a way to pay the solid waste fees and clean up old waste sites. Key points discussed during the meeting were:

- * House Bill 174 will provide \$4.8 million to help counties clean up open dumps and roadsides, \$5 million to the Dept. of Transportation to address roadside litter along with an additional \$25 million in one-time funds to clean up 10 to 15 of the 628 old landfills in Kentucky. It is estimated that \$110 million will be needed to cleanup old landfills in Kentucky.
- * A surcharge of \$1.75 per ton of solid waste disposed will help offset the costs of cleaning up dumps and result in an increase of about 30 cents per month in residential garbage bills.
- * Brownfield regulations have been proposed by the Ky. Div. of Waste Management and are now available for public comment. These regulations focus on the voluntary remediation of contaminated sites through the use of risk assessments.
- * Nearly \$80 million is still needed to cleanup hundreds of old abandoned contaminated waste sites. A fee on hazardous waste generated was extended for 2 years and raises about \$2 million a year to respond to environmental emergencies and cleanup abandoned sites.